

COW - CALF PRODUCTION

COSTS AND RETURNS 2001 - 2002 ^{1/}

ITEM	UNITED STATES		HEARTLAND		EASTERN UPLANDS	
	2001	2002	2001	2002	2001	2002
Gross value of production:			Dollars Per Bred Cow			
Steer calves	161.24	145.49	188.26	171.57	142.13	128.39
Heifer calves	100.22	90.45	127.54	115.34	113.71	102.45
Yearling steers	104.25	95.20	38.84	34.95	56.95	51.27
Yearling heifers	44.57	41.17	11.74	10.80	25.21	22.72
Other cattle	83.29	74.83	72.71	64.54	66.39	59.62
Total, gross value of production ^{2/}	\$499.72	\$453.26	\$443.39	\$401.47	\$411.40	\$371.42
Operating costs:						
Purchased cattle for backgrounding	68.10	62.08	26.39	23.26	43.29	39.01
Feed:						
Concentrates and other feed	26.32	25.17	26.23	26.81	24.46	23.63
Supplemental feed	16.71	19.83	35.19	40.24	11.21	14.38
Harvested forages	140.11	143.33	206.00	202.16	196.69	194.15
Cropland pasture	13.77	14.10	13.42	13.20	4.04	3.11
Private pasture	99.70	102.47	73.63	73.61	72.63	65.01
Public land	2.44	2.48	0.37	0.36	0.44	0.44
Total, feed costs	\$299.05	\$307.38	\$354.84	\$356.38	\$309.47	\$300.72
Other:						
Veterinary and medicine	22.75	22.53	39.24	38.49	16.35	16.25
Bedding and litter	0.42	0.43	1.32	1.34	0.61	0.63
Marketing	6.15	6.12	4.30	4.27	7.01	6.97
Custom operations	31.87	31.52	40.77	40.18	27.18	26.98
Fuel, lube, and electricity	19.07	19.09	16.18	16.16	15.65	15.65
Repairs	26.32	26.23	29.63	29.24	26.09	25.91
Interest on operating inputs	7.95	3.95	8.89	4.40	7.51	3.73
Total, operating costs	\$481.68	\$479.33	\$521.56	\$513.72	\$453.16	\$435.85
Allocated overhead:						
Hired labor	3.54	3.66	0.58	0.60	3.30	3.31
Opportunity cost of unpaid labor	247.95	253.74	205.55	219.81	156.31	166.34
Capital recovery of machinery and equipment ^{3/}	137.44	142.30	272.90	280.63	187.69	195.18
Opportunity cost of land	2.42	2.45	5.46	5.55	2.34	2.29
Taxes and insurance	33.50	33.66	44.13	44.23	32.54	32.65
General farm overhead	60.25	61.73	82.71	84.10	53.75	55.19
Total, allocated overhead	\$485.10	\$497.54	\$611.33	\$634.92	\$435.93	\$454.96
Total, costs listed	\$966.78	\$976.87	\$1,132.89	\$1,148.64	\$889.09	\$890.81
Value of production less total costs listed	-467.06	-523.61	-689.50	-747.17	-477.69	-519.39
Value of production less operating costs	18.04	-26.07	-78.17	-112.25	-41.76	-64.43
Supporting information:						
Bred cows (head) ^{1/}	83	83	51	51	50	50
Calves weaned (head) ^{1/}	71	71	45	45	38	38
Calving season (percent of ranches) ^{1/}						
One	49	49	65	65	19	19
Two	13	13	9	9	23	23
None set	38	38	26	26	58	58
Cost of homegrown harvested forages (percent of total cost) ^{1/ 4/}	84	84	94	94	87	87
Cost of pasture owned:						
Private pasture (percent of total cost) ^{1/ 5/}	72	72	72	72	87	87
Cropland pasture (percent of total cost) ^{1/ 5/}	80	80	76	76	96	96

The Economic Research Service revised its accounting methodology for corn, soybeans, cotton, grain sorghum, peanuts, hogs and cow-calf enterprises to conform with the new standards recommended by the American Agricultural Economics Association (AAEA) Task Force on Commodity Costs and Returns. For these same commodities, ERS is publishing regional estimates using new resource regions. **Western Kentucky is considered Heartland while eastern Kentucky is included in Eastern Uplands.** ^{1/}Developed from survey base year, 1996. ^{2/}Includes marketing costs below to avoid double counting. Market prices used to update the gross value of production are net of marketing costs. ^{3/}Machinery and equipment, and housing, manure handling, and feed storage structures, and breeding herd. ^{4/}Percent of total harvested forage cost from charge on homegrown forages. ^{5/}Percent of total pasture cost from charge on owned pasture.